

City of BUNKER HILL VILLAGE

Public Hearing
Set 2015 Tax Rate & Adopt 2016 Budget



City Council Meeting

October 6, 2015



City of Bunker Hill Village

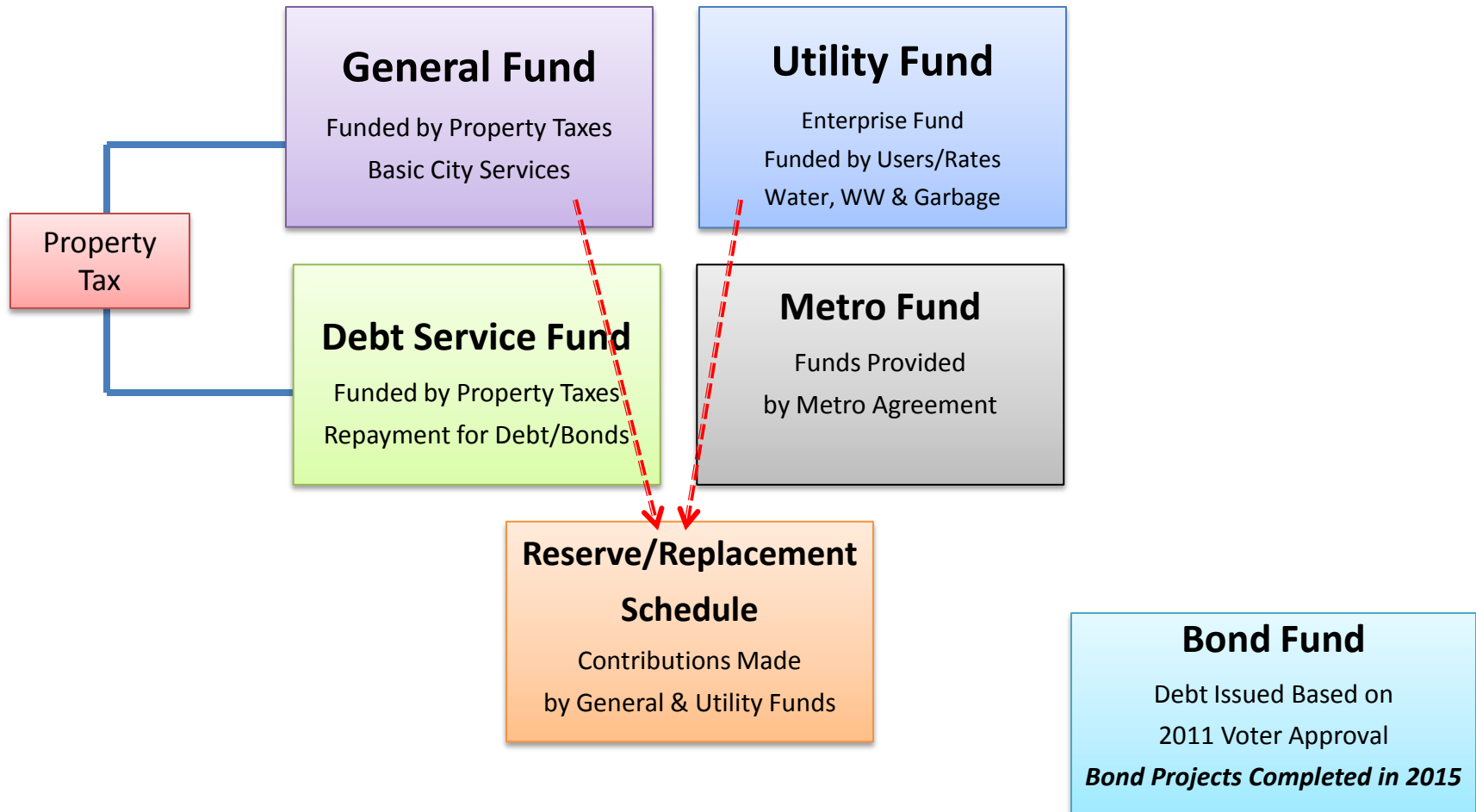
Our Mission

“The Mayor, City Council and Staff of Bunker Hill Village are committed to governing with integrity and fiscal responsibility. We are dedicated to creating a sense of community, ensuring the safety and well-being of our citizens, and preserving our unique character and quality of life so that we can pass on a greater and more beautiful city to future generations.”

City of Bunker Hill Village

Budget Structure

2016



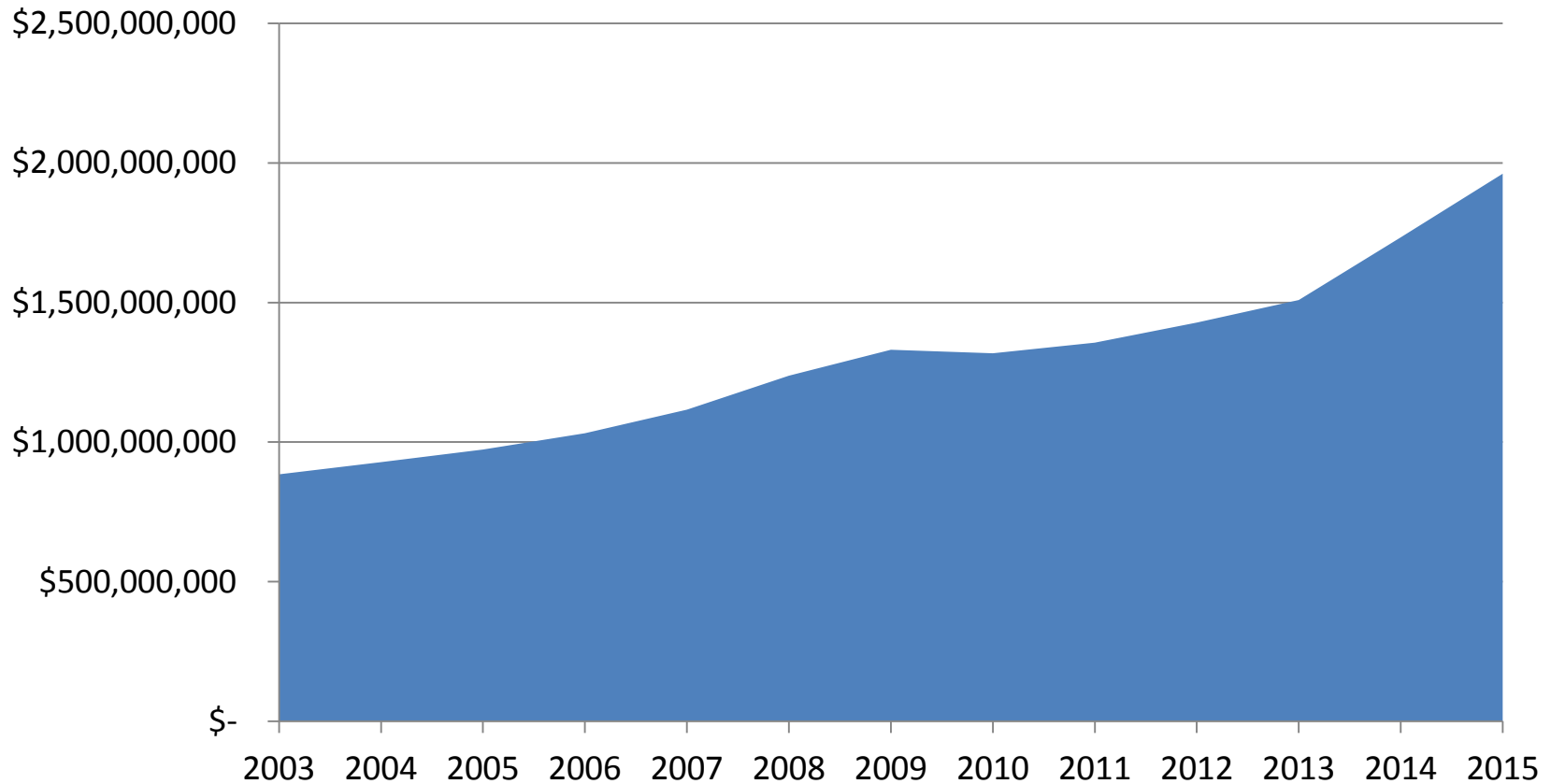
Adopted 2016 Budget & 2015 Tax Rate
Key Issues/Decision Points
*Taking Care of Our Public Infrastructure
& Planning for our Future*

**Focus on Projects and Rehabilitation of our
Public Infrastructure**

- Basic M&O is limited to 4% increase
- All additional revenue is added to infrastructure

Development of a 10 Year Financial Plan provides for needed infrastructure improvements over this timeframe for both General and Utility Funds.

City of Bunker Hill Village Taxable Values



2015 Taxable Values are 13.15% over 2014 Taxable Values

City of Bunker Hill Village

Adopted Tax Rate

	Current	Proposed
Average Home Value Comparison	2014 Tax Rate	2015 Tax Rate
Residential taxable value	\$1,311,514	\$1,457,118
Tax rate (per \$100)	0.282855	0.277855
Tax Bill	\$3,710	\$4,049
Increase from Prior Year Tax Bill		\$339

(8.59% above effective rate)

New Improvements

2014 \$36,620,040

2015 \$47,960,913

City of Bunker Hill Village

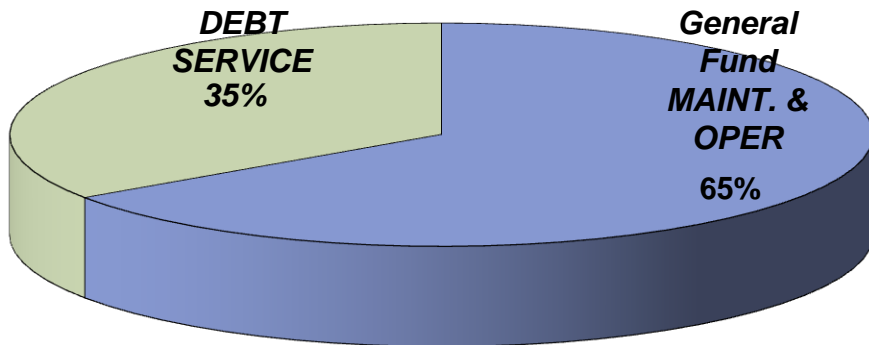
Adopted Tax Rate

2014 TAX RATE

DEBT SERVICE RATE: .097748 *

Gen Fund/MAINT.& OPER. RATE: .185107

TOTAL \$.282855

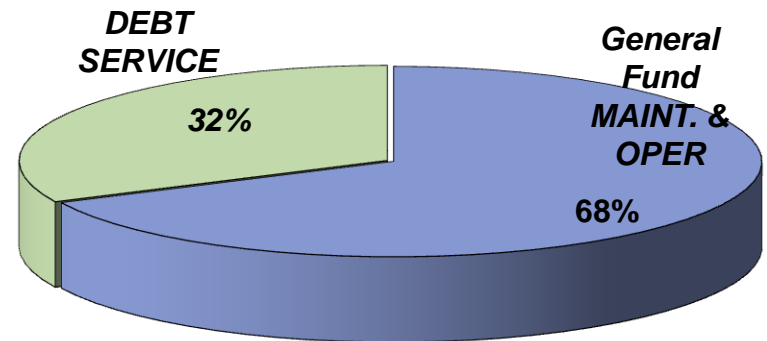


2015 PROPOSED TAX RATE

DEBT SERVICE RATE: .086779 *

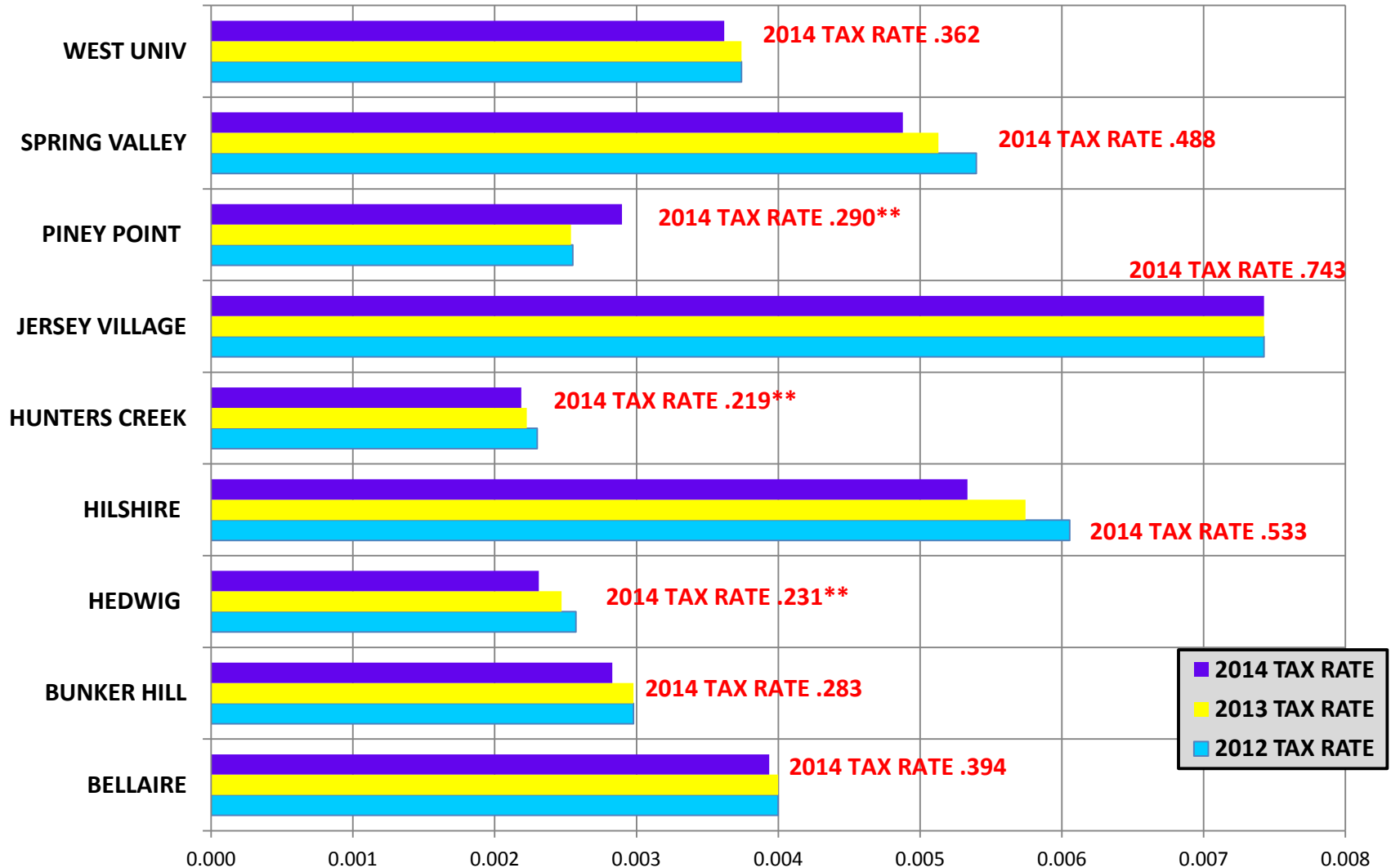
Gen Fund/MAINT.& OPER. RATE: .191076

TOTAL \$.277855



* Reduction in Debt Service Fund Balance by
~\$100,000 per year for the next four years.

Tax Rate Comparisons



**** INCLUDES MWA TAX RATE OF .034570**

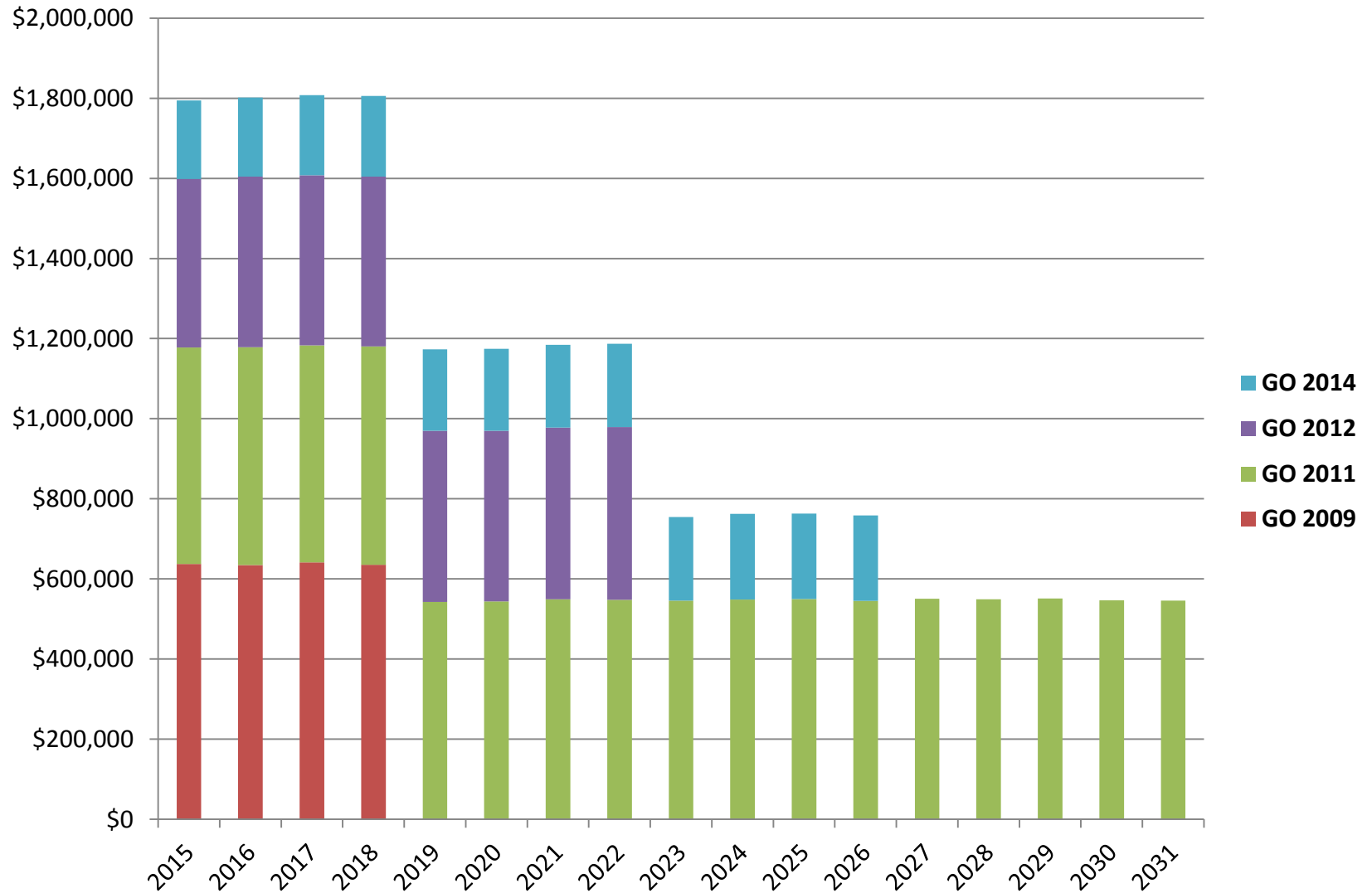
Tax Rate and Debt Comparisons

City	Debt	2014 Tax Rate	2014 Sales Tax
Spring Valley (3,715)	13.5M**	.488	\$1,103,570
Piney Point (3,125)	4M	.290*	\$144,421
Hunters Creek (4,374)	N/A	.219*	\$366,171
Hilshire (761)	1M	.533	\$44,482
Hedwig (2,613)	7M	.231*	\$1,828,085
Bunker Hill (3,759)	14M	.283 .098 Debt; .185 GF	\$82,406
Bellaire (16,855)	82M	.394	\$2,286,879
Jersey Village (7,636)	2M	.743	\$3,222,453
West Univ (14,787)	67M	.362	\$1,027,730

* Includes Tax for Memorial Villages Water Authority 0.034570

** Recent Bond Election Amount

Debt Service Fund Break Down

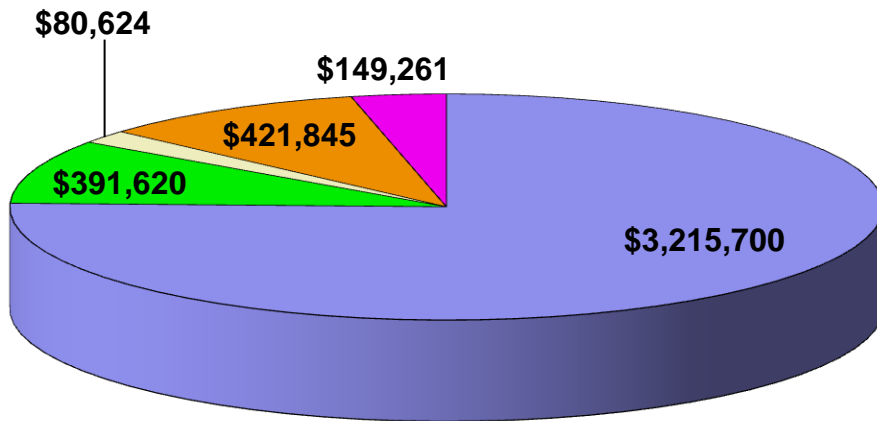


City of Bunker Hill Village **General Fund**

***The General Fund** is the chief operating fund of the City. The principal sources of revenue include local property taxes, franchise and sales taxes, court fees, building permits, and other miscellaneous income. Expenditures include police and fire, personnel, commodities and maintenance support, and capital outlay.*

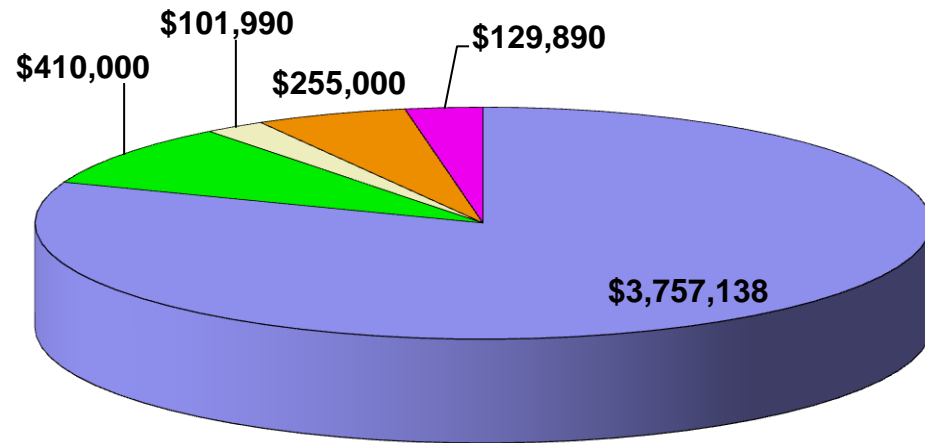
City of Bunker Hill Village General Fund Revenues

2015 Adopted Budget
Total \$4,259,050



- Property Taxes 76%
- Franchise / Sales Tax 9%
- Court Fees 2%
- Building Permits 10%
- Other income 3%

2016 Adopted Budget
Total \$4,654,018



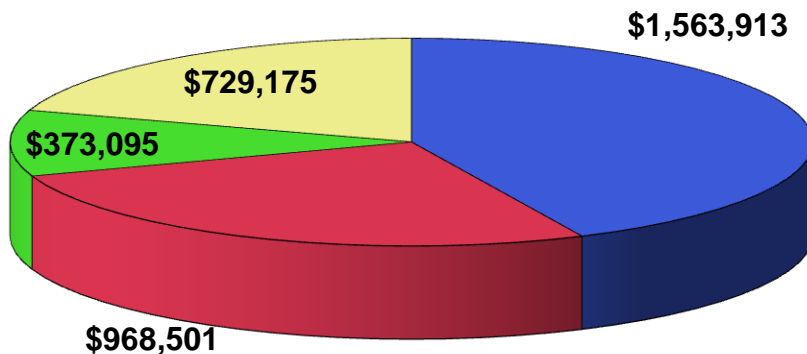
- Property Taxes 80%
- Franchise / Sales Tax 9%
- Court Fees 2%
- Building Permits 6%
- Other income 3%

City of Bunker Hill Village

General Fund Maint. & Operation Expenditures

2015 Adopted Budget

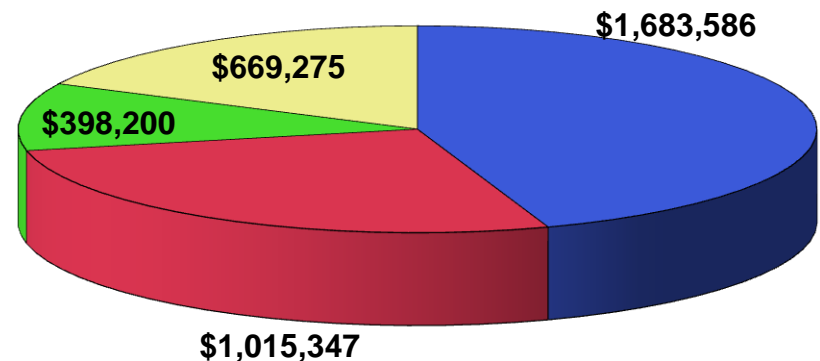
Total \$3,634,684



- Police Dept. 40%
- Fire Dept. 25%
- Personnel 9%
- Commodities/Maint/Support 18%

2016 Adopted Budget

Total \$3,766,408



- Police Dept. 45%
- Fire Dept. 27%
- Personnel 10%
- Commodities/Maint/Support 18%

* Maintains 6 month Fund Balance with Reserve for Infrastructure Projects - \$834,000

General Fund

Key Notes –Expenditures - 2016

EXPENDITURES

Police Department:

- Proposed 2016 Budget reflects an 1% or 20K increase from 2015 Budget
- Also included is an additional \$100K for proposed camera project

Fire Department:

- Proposed 2016 Budget reflects an 5% or \$47K increase from the 2015 Budget

Personnel:

- Salary/Merit pool of 5% for market adjustments and annual merit increases
- Continue summer intern program – \$5K
- Provides for a Part-Time / Fill-in as needed – \$4K (split between GF & UB)
- Health Care Insurance increase of 18%
- TMRS rate decreased from 10.01% to 9.97% - the city funding ratio @12/31/2014 was 102%

Commodities/Maintenance/Support:

- Decrease to \$30K in engineering services for drainage review as implemented with the new drainage ordinance. *This fee will be offset by including a drainage fee with the permit; reduced from 2015*
- A decrease in inspections of \$37K from the decline in building permits
- Continue internal detailed audit \$10K

General Fund

Key Notes –Expenditures (cont.)

EXPENDITURES (cont)

- New Permit Software \$20K
- GIS /Infrastructure Management - Continuation \$20K (split GF & UB)
- Beautification Improvements - \$25K

Capital/Projects:

- New A/C & Heater – Court/Council Chambers \$20K

Reserve Replacement/Infrastructure Management :

- Adding to Annual Reserve Facility/Production Schedule - \$53,610
- **Adding to Reserve for Infrastructure Projects - \$834,000**

City of Bunker Hill Village

Utility Fund

*The **Utility Enterprise Fund** is used to account for Water, Sewer and Garbage activities and operations. Being an enterprise fund, it is designed to be financed and operated in a manner similar to private business. Accordingly, utility charges should be sufficient to cover annual operating and capital costs while providing income for future capital needs.*

Utility Fund

Key Notes – Revenues - 2016

REVENUES – Water and Wastewater

- Recommending a Rate Increase for Water and Wastewater to continue building our base rate to cover 30% of expenditures and fund our Reserve for Infrastructure Management – Utility Lines.
- Balance Rate Increases for lower users and average users.
- Continuing Rates as equalized for Residential & Non-Residential at the higher usage end.

PASS THROUGH – Trash and Recycling

- Solid Waste Contract with Republic is up in December 2019 with Annual CPI Adjustments. Budget includes a 3% increase but will adjust based on actual.

Utility Fund

Proposed Residential Utility Rates

Proposed Rate Structure for 2016

Gallons	2014 Rates	2015 Rates	Proposed 2016 Rates
Base Rate 0-4,000	\$37.80	\$50.00	\$ 59.00
4,001-10,000	\$2.42	\$2.55	\$ 2.55
10,001-20,000	\$2.68	\$2.80	\$ 2.80
20,001-30,000	\$2.89	\$3.05	\$ 3.35
30,001-40,000	\$3.31	\$3.45	\$ 4.00
40,001-60,000	\$4.41	\$4.60	\$ 5.00
60,001-70,000	\$5.50	\$5.75	\$ 6.25
70,001 & over	\$6.60	\$6.90	\$ 7.80
0-1,000	\$19.20	\$25.00	\$ 29.00
1,001 – 40,000	\$1.50	\$1.60	\$ 1.60

Average Residential Bill - 40,000 gallons (two month billing cycle)

	2015 Bill	Increase In 2016	2016 Bill
Water	\$ 158.30	<i>\$ 17.50</i>	\$ 175.80
Wastewater	<u>\$ 87.40</u>	<i><u>\$ 4.00</u></i>	<u>\$ 91.40</u>
Total W&WW	\$ 245.70 <i>(\$ 26.88 incr.)</i>	\$ 21.50 <i>9% increase</i>	\$ 267.20
Solid Waste	\$ 78.50	<i>CPI per contract</i>	\$ 78.50
Total Bill	\$ 361.00		\$ 385.70 plus any CPI

Bill for 20,000 gal User -- \$13.00 increase
Average Bill -- \$ 161.70 9% increase

Utility Fund

Proposed Non- Residential Utility Rates

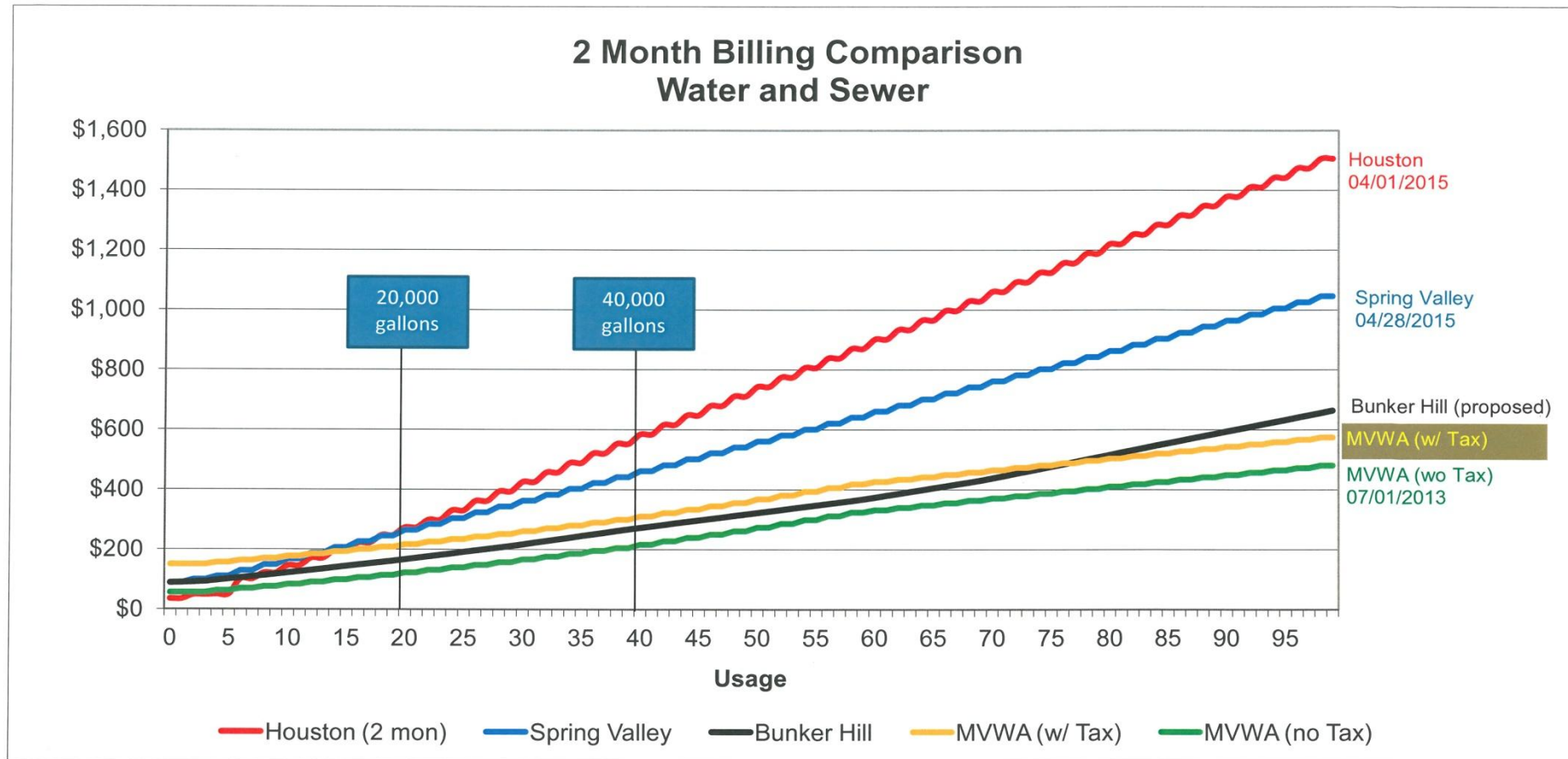
Proposed Rate Structure For 2016

Gallons	2014 Rates	2015 Rate	Proposed 2016 Rates
0 - 4,000	\$ 43.58	\$ 61.00	\$ 72.00
4001 - 10,000	\$ 3.15	\$ 3.45	\$ 3.45
10,001 - 20,000	\$ 3.47	\$ 3.80	\$ 3.80
20,001 - 30,000	\$ 3.68	\$ 4.00	\$ 4.40
30,001 - 40,000	\$ 4.20	\$ 4.60	\$ 5.05
40,001 - 60,000	\$ 4.73	\$ 5.15	\$ 5.80
60,001 - 70,000	\$ 5.50	\$ 6.00	\$ 7.00
70,001 & over	\$ 6.60	\$ 7.25	\$ 8.15
0-1,000	\$ 22.40	\$ 31.35	\$ 36.00
1,001 – 40,000	\$ 2.45	\$ 2.70	\$ 2.70

Average Non- Residential Bill
- 273,000 gallons
(two month billing cycle)

	2015 Bill	Increase In 2016	2016 Bill
Water	\$ 1,840.45	<i>\$ 225.20</i>	\$ 2,065.65
Wastewater	<u>\$ 765.75</u>	<u><i>\$ 4.65</i></u>	<u>\$ 770.40</u>
Total Bill	\$ 2,606.20 <i>(\$ 252.02 incr.)</i>	<i>\$ 229.85</i>	\$ 2,836.05
		9% increase	

Utility Fund Cost Comparisons



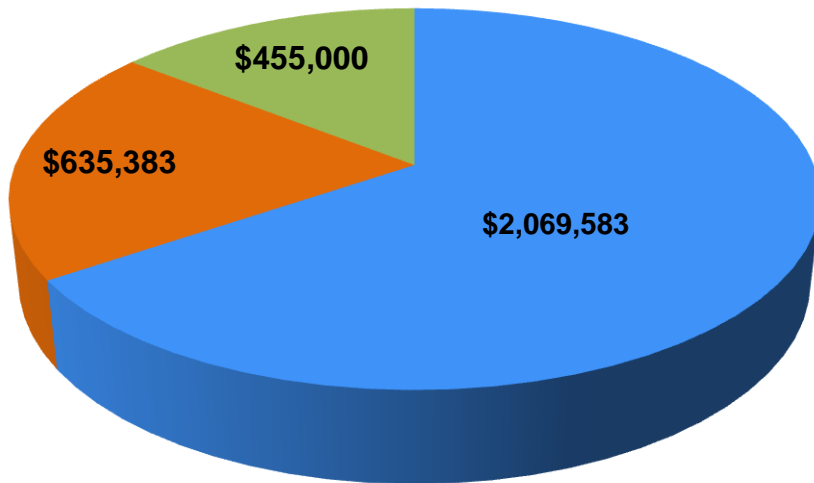
Comparison with proposed Bunker Hill Village 2016 rates; All others current rates

City of Bunker Hill Village Utility Fund Revenues

2015 Adopted Budget

Total \$3,159,966

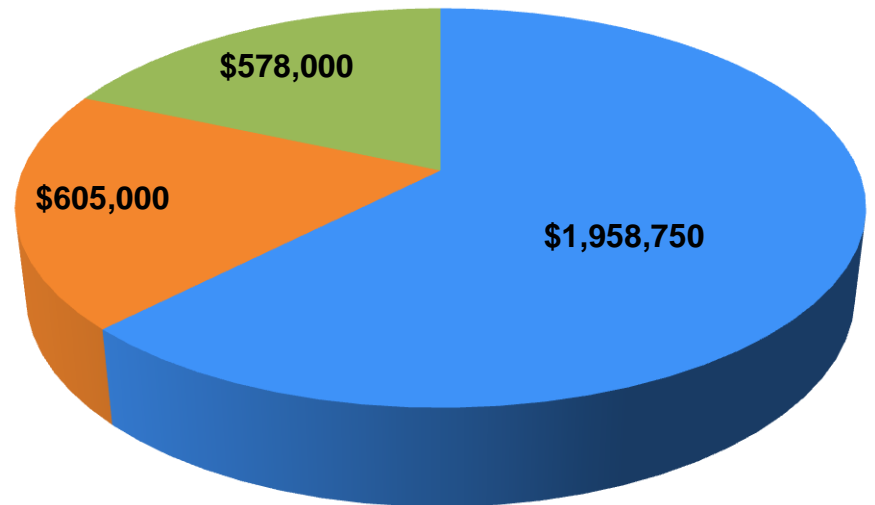
- Water Service 66%
- Waste Water Service 20%
- Solid Waste Service 14%



2016 Adopted Budget

Total \$3,141,750

- Water Service 61%
- Waste Water Service 20%
- Solid Waste Service 19%



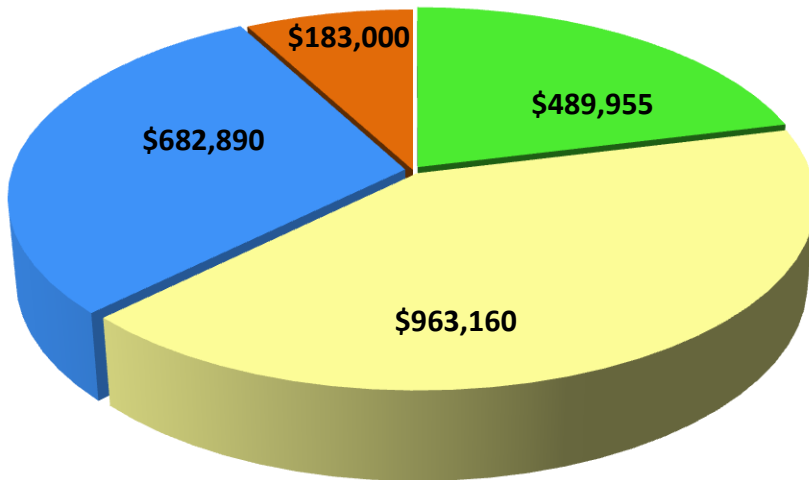
City of Bunker Hill Village

Utility Fund Maint. & Operation Expenditures

2015 Adopted Budget

Total \$2,319,005

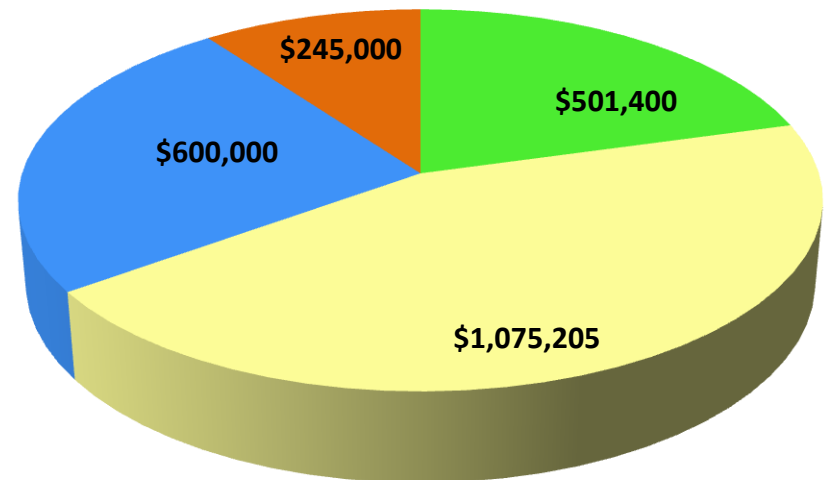
- Personnel 16%
- Commodities/Maint/Support 32%
- Water Purchase COH 22%
- Waste Water Treatment 6%



2016 Adopted Budget

Total \$2,421,605

- Personnel 16%
- Commodities/Maint/Support 34%
- Water Purchase COH 19%
- Waste Water Treatment 8%



Utility Fund

Key Notes - Expenditures

EXPENDITURES

PERSONNEL:

- Salary/Merit pool of 5% for market adjustments and annual merit increases
- Continue summer intern program – \$5K
- Provides for a Part-Time / Fill-in as needed – \$4K (split between GF & UB)
- Health Care Insurance increase of 18%
- TMRS rate decreased from 10.01% to 9.97% - the City funding ratio @12/31/2014 was 102%

SUPPORT SERVICES:

- Anticipating COH surface water increase of 3% in April 2016 (April 2015 increase was 4.4%)

SOLID WASTE (GARBAGE):

- Annual CPI increase, budgeted a 3% increase

COMMODITIES/MAINT./SUPPORT:

- GIS /Infrastructure Management - Continuation \$20K (split GF & UB)
- Safety equipment for utility workers, chlorinators \$12K

RESERVE REPLACEMENT SCHEDULE/INFRASTRUCTURE MANAGEMENT:

- Adding to Annual Reserve Facility/Production Schedule - \$390,000
- Adding to Reserve for Infrastructure Replacement - **\$325,000**

2016 Budget Priority:
***Taking Care of Our Public Infrastructure
and Planning for our Future***



Current Replacement/Reserve Funds

- Water Production
- Facilities and Vehicles
- Emergency Management

Create a Plan to Fund Current Priority Projects
and Develop a Reserve for Streets, Drainage,
Water and Wastewater Lines



2016 Projects/Priorities

Utility Fund - Water & WW Lines

Begin Replacement of Cast Iron Water Lines	\$1,000,000
Begin Replacement of Concrete Wastewater Lines	500,000

Utility Fund - Water Production

Ground Storage Tank-Replace/Expand Taylorcrest	1,500,000
--	-----------

Special Projects - Drainage

Drainage Improvements /Added Capacity	<u>750,000</u>
---------------------------------------	----------------

TOTAL OF ALL PROJECTS	\$ 3,750,000
------------------------------	---------------------



10 Year Priorities 2016-2025

Utility Fund - Water & WW Lines

Replacement of Cast Iron Water Lines	\$ 7,200,000
Replacement of Concrete Wastewater Lines	3,600,000

Utility Fund – Water Production	3,000,000
--	-----------

General Fund - Streets

Asphalt Overlay and Concrete Replacement	4,500,000
--	-----------

Special Projects - Drainage

Drainage Improvements /Added Capacity	<u>7,500,000</u>
---------------------------------------	------------------

TOTAL OF ALL PROJECTS	\$ 25,800,000
------------------------------	----------------------



City of Bunker Hill Village

Cash Balances

DECEMBER 31, 2015

	<u>Available Balance</u>	<u>FORMAL RESERVES</u>	
GENERAL FUND	\$1,934,255	G/F - Vehicle/Emerg/Facility	\$827,437
		G/F - Infrastructure	\$1,550,000
DEBT SERVICE - I & S	\$533,164		
UTILITY FUND	\$605,405	UB - Vehicle/Production	\$2,377,963
		UB - Infrastructure	\$300,000
METRO	\$213,307		
	<u>\$3,286,131</u>		<u>\$5,055,400</u>

DECEMBER 31, 2016

	<u>Available Balance</u>	<u>FORMAL RESERVES</u>	
GENERAL FUND	\$1,934,256	G/F - Vehicle/Emerg/Facility	\$861,047
		G/F - Infrastructure	\$1,634,000
DEBT SERVICE - I & S	\$433,995		
UTILITY FUND	\$610,549	UB - Vehicle/Production	\$1,267,963
		UB - Infrastructure	(\$875,000)
METRO	\$213,307		
	<u>\$3,192,107</u>		<u>\$2,888,010</u>



Approval Process

August 18, 2015

September 3, 2015

September 15, 2015

September 22, 2015

October 6, 2015

Council Mtg/Infrastructure Wksp 5:00 p.m.

Filed & Presented Proposed Budget 11:30 a.m.

Public Hearing 5:00 p.m.

Public Hearing 8:00 a.m.

Public Hearing 8:00 a.m.

Set Tax Rate; Adopt Budget